

# Seattle City Light

## First 2006 Update Try 29 (2007-2008 Proposed Rates)

### Flow of Funds: 2005-2016

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2005-2016
Retail Power Sales	562.5	566.1	551.4	563.5	600.7	624.6	637.3	660.2	663.6	649.2	661.6	672.1	7,412.8
Net Wholesale Revenue	110.8	137.1	178.9	140.7	97.1	100.4	103.1	101.8	111.3	126.5	118.7	134.8	1,461.1
Other Revenue	32.6	39.5	41.5	44.8	36.4	37.3	38.3	39.2	40.2	41.1	42.1	43.1	476.2
Expenses													
Power O&M	265.0	276.5	281.6	268.5	264.7	266.6	269.4	276.1	277.2	278.6	282.2	292.8	3,299.1
Other O&M	152.3	155.6	164.6	167.9	162.5	166.6	170.9	175.2	179.5	183.7	188.3	192.9	2,060.1
Non-City Taxes	27.7	27.9	27.7	28.1	29.6	30.8	31.4	32.5	32.7	32.3	32.9	33.5	367.1
Investment Income	6.7	7.6	7.1	4.5	2.5	2.4	3.2	4.1	4.8	4.9	4.9	4.4	57.1
Other Income	(0.2)	1.1	9.6	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.3	1.3	21.1
Revenue Available for Debt Service	<u>267.4</u>	<u>291.4</u>	<u>314.7</u>	<u>290.2</u>	<u>281.0</u>	<u>301.8</u>	<u>311.1</u>	<u>322.7</u>	<u>331.6</u>	<u>328.4</u>	<u>325.3</u>	<u>336.6</u>	<u>3,702.2</u>
Less: Debt Service	134.4	141.7	140.9	136.9	140.5	150.9	155.6	161.3	165.8	164.2	162.6	159.4	1,814.4
Less: City Taxes	34.1	34.9	34.1	34.8	36.9	38.5	39.3	40.7	41.0	40.2	40.9	41.5	456.8
Less: Bond Reserve Deposits	(85.5)	-	-	-	-	-	-	-	-	-	-	-	(85.5)
Less: Contingency Reserve Deposits (Withdrawals)	25.0	-	-	-	-	-	-	-	-	-	-	-	25.0
Less: Other Funds Required	(11.4)	2.1	(0.4)	2.5	7.3	4.9	3.4	4.5	2.1	(0.8)	3.5	2.8	20.5
Less: Repayment of Short-Term Debt													
Net Revenue Available for Capital	<u>170.7</u>	<u>112.7</u>	<u>140.1</u>	<u>115.9</u>	<u>96.3</u>	<u>107.6</u>	<u>112.9</u>	<u>116.2</u>	<u>122.7</u>	<u>124.8</u>	<u>118.2</u>	<u>132.9</u>	<u>1,470.9</u>
Net Revenue Required for 95% Confidence	NA	121.5	140.1	115.9	83.1	85.2	88.8	89.2	100.2	119.2	116.3	132.9	1,192.4
Net Revenue Above/(Below) Amount Required	<u>NA</u>	<u>(8.9)</u>	<u>(0.0)</u>	<u>(0.0)</u>	<u>13.2</u>	<u>22.4</u>	<u>24.1</u>	<u>27.0</u>	<u>22.6</u>	<u>5.6</u>	<u>1.9</u>	<u>-</u>	<u>107.9</u>

### Capital Financing

Net Revenue Available for Capital	170.7	112.7	140.1	115.9	96.3	107.6	112.9	116.2	122.7	124.8	118.2	132.9	1,470.9
Funding from Contributions	32.4	29.2	26.6	19.0	20.0	21.3	21.7	20.7	16.2	16.6	17.0	17.3	258.0
Bond Proceeds	-	-	-	44.7	146.9	160.1	115.3	65.4	18.1	18.8	21.9	63.1	654.4
Decrease/(Increase) in Cash Balances	(43.7)	25.8	37.2	48.9	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.0)	68.2
Total Sources of Capital Funding	<u>159.4</u>	<u>167.6</u>	<u>203.9</u>	<u>228.5</u>	<u>263.1</u>	<u>289.0</u>	<u>249.9</u>	<u>202.4</u>	<u>157.0</u>	<u>160.2</u>	<u>157.1</u>	<u>213.4</u>	<u>2,451.5</u>
Capital Improvement Projects	117.8	131.5	163.5	187.0	223.7	249.0	210.1	168.1	122.0	124.4	120.5	176.0	1,993.6
Conservation	20.4	20.8	21.2	21.6	22.1	22.7	23.4	24.0	24.7	25.4	26.2	27.0	279.6
Deferred High Ross Charges	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	109.2
Other Deferred Costs	12.0	6.3	10.0	10.8	8.2	8.2	7.3	1.2	1.2	1.2	1.3	1.3	69.0
Total Capital Requirements	<u>159.4</u>	<u>167.6</u>	<u>203.9</u>	<u>228.5</u>	<u>263.1</u>	<u>289.0</u>	<u>249.9</u>	<u>202.4</u>	<u>157.0</u>	<u>160.2</u>	<u>157.1</u>	<u>213.4</u>	<u>2,451.5</u>

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### Key Financial Indicators

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2005-2016
Retail Sales (MWh)	9,161,465	9,324,653	9,496,232	9,677,386	9,783,960	9,892,995	9,956,104	10,047,364	10,076,086	10,111,310	10,143,299	10,214,813	117,885,667
Average Retail Rate (\$/MWh)	\$61.40	\$60.71	\$58.06	\$58.23	\$61.39	\$63.14	\$64.01	\$65.71	\$65.85	\$64.21	\$65.22	\$65.80	
% Change from Prior Year	-0.6%	-2.7%	-4.4%	0.3%	5.4%	2.9%	1.4%	2.7%	0.2%	-2.5%	1.6%	0.9%	7.2%
Net Wholesale Sales (MWh)	2,016,258	2,682,474	3,143,409	2,910,662	2,883,299	2,850,770	2,779,762	2,702,814	2,648,454	2,610,302	2,571,602	2,531,856	32,331,662
Average Price on Wholesale Sales	\$46.80	\$53.38	\$57.44	\$48.90	\$34.24	\$35.96	\$37.80	\$38.73	\$43.05	\$49.38	\$47.64	\$54.75	
Year End Operating Cash Balance	\$141.9	\$116.1	\$78.9	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0	
Year-End Balance in Bond Reserve	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Year -End Balance in Contingency Reserve	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0	
Revenue Financing as a % of Capital	107%	67%	69%	51%	37%	37%	45%	57%	78%	78%	75%	62%	60%
Contributions as a % of Capital	20%	17%	13%	8%	8%	7%	9%	10%	10%	10%	11%	8%	11%
Debt Financing as a % of Capital	0%	0%	0%	20%	56%	55%	46%	32%	12%	12%	14%	30%	27%
Drawdown of Balances as a % of Capital	-27%	15%	18%	21%	0%	0%	0%	0%	0%	0%	0%	0%	3%
Debt Issued	\$0.0	\$0.0	\$0.0	\$45.1	\$148.3	\$161.7	\$116.7	\$66.6	\$19.1	\$19.9	\$23.0	\$64.4	\$665.0
Long-Term Debt Outstanding (\$ millions)	\$1,472.7	\$1,409.2	\$1,342.5	\$1,317.1	\$1,390.0	\$1,469.1	\$1,503.7	\$1,485.4	\$1,414.3	\$1,342.1	\$1,271.0	\$1,241.1	
Equity (\$ millions)	\$403.2	\$523.8	\$664.9	\$782.2	\$885.5	\$1,000.3	\$1,112.1	\$1,218.3	\$1,321.3	\$1,420.6	\$1,513.9	\$1,614.7	
Long-Term Debt as a % of Capitalization	79%	73%	67%	63%	61%	59%	57%	55%	52%	49%	46%	43%	
Debt Service Coverage													
First-Lien Debt	2.10	2.27	2.45	2.26	2.19	2.25	2.27	2.27	2.28	2.29	2.30	2.41	
First & Second Lien Debt	1.99	2.14	2.31	2.12	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.11	
Net Income	\$99.3	\$120.6	\$141.1	\$117.3	\$103.3	\$114.8	\$111.8	\$106.2	\$103.0	\$99.4	\$93.2	\$100.9	\$1,310.9